

VIRGINIA DEPARTMENT OF MINES, MINERALS & ENERGY
VIRGINIA GAS AND OIL BOARD

Pursuant to Sections 45.1-361.9.B and 45.1-361.22.B of the Code of Virginia, the Virginia Gas and Oil Board conducted a hearing commencing at 9 a.m. on Tuesday, June 17, 2008, at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Abingdon, Virginia. The following items are on the agenda:

1. A miscellaneous petition from Oryn Treadway Sheffield, Jr. Trust, requesting that owners of interest in the estate of Jessie Mae Pobst (tracts 40 and 47) be allowed to participate in Unit VP8-SGU3, Hurricane, South Grundy and Prater Districts, Buchanan County, Virginia. Docket Number VGOB-08-0520-2219. **Continued from May.**
2. A petition from CNX Gas Company for pooling of coalbed methane unit A-16, North Grundy District, Buchanan County. Docket Number VGOB-08-0520-2221. **Continued from May.**
3. A petition from CNX Gas Company for creation of a drilling unit and pooling of conventional gas unit A16CV, North Grundy District, Buchanan County. Docket Number VGOB-08-0520-2222. **Continued from May.**
4. A petition from Oryn Treadway Sheffield, Jr. Trust requesting a reduction of the allowable costs for participating in unit VP8-SGU3, Hurricane, South Grundy and Prater Districts, Buchanan County, Virginia. Docket Number VGOB-08-0520-2226. **Continued from May.**
5. The Board will discuss post-production costs that are allowed by pooling orders and are deducted from royalty payments to pooled parties. **Continued from April with public comments compiled April to May, distributed to the Board for further review on May 20th.**
6. A petition from Equitable Production Company for re-pooling of coalbed methane unit VC-537113, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-07-0515-1934. **Continued from April**
7. A petition from Equitable Production Company for pooling of conventional gas unit V-536025, Lipps District, Wise County, Virginia. Docket Number VGOB-08-0415-2199. **Continued from April.**
8. A petition from Equitable Production Company for establishment of 320-acre drilling unit VH-536926, for drilling of horizontal conventional gas wells, Gladeville and Lipps District, Wise County, Virginia. Docket Number VGOB-08-0415-2206. **Continued from April.**

9. A petition from Equitable Production Company for establishment of 320-acre drilling unit VH-539904, for drilling of horizontal conventional gas wells, Gladeville District, Wise County, Virginia. Docket Number VGOB-08-0415-2210. **Continued from April.**
10. **A petition** from Catherine Jewell on behalf of Buck Jewell Resources, LLC **appealing a decision by the Director** of the Division of Gas and Oil **regarding** Informal Fact Finding Conference **IFFC 21308**. Docket Number VGOB-08-0617-2237.
11. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit A-17, North Grundy and Garden Districts, Buchanan County, Virginia. Docket Number VGOB-08-0617-2238.
12. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit N (-1), Prater District, Buchanan County, Virginia. Docket Number VGOB-08-0617-2239.
13. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit U-20, Hurricane District, Buchanan County, Virginia. Docket Number VGOB-08-0617-2240.
14. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit BL-108, , New Garden District, Russell County, Virginia. Docket Number VGOB-08-0617-2241.
15. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit TA-133, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-08-0617-2242.
16. A petition from CNX Gas Company, LLC for modification of the Beatrice Mine Sealed Gob Order to allow production from CBM Well P-25, Garden District, Buchanan County, Virginia. Docket Number VGOB-96-0618-0545-01.
17. A petition from CNX Gas Company, LLC for modification for the Oakwood 1 Field Rules to allow for drilling of more than one coalbed gas well within units E1, E2, F1, F2, G1, G2, H1 to H3, I1 to I3, J1 to J3, K1 to K3, L1 to L3, M1 to M3, plus A9 to A17, B9 to B17, C9 to C14, D9 to D14, E10, to E14, F10 to F14, G9 to G14, H10 to H14, I9 to I14, plus I26 to I30, J26 to J30, K26 to K30, L26 to L30, M26 to M30, N26 to N30, O26 to O30 and P26 to P30, Buchanan County, Virginia. Docket Number 93-0216-0325-15.
18. A petition from CNX Gas Company, LLC for modification of previous board order creating CNX Horizontal Area #5 to extract Oakwood Unit CC-38 therefrom, to allow Applicant to produce CC-38A as a vertical frac well and to allow Applicant to plug access well CC38B, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-04-0921-1341-04.

19. A petition from Equitable Production Company for establishment of 320-acre provisional horizontal drilling unit served by well VH-536926, Gladeville and Lipps District, Wise County, Virginia. Docket Number VGOB-08-0617-2243.
20. A petition from Equitable Production Company for establishment 320-acre provisional horizontal drilling unit served by well VH-536020, Lipps, District, Wise County, Virginia. Docket Number VGOB-08-0617-2244.
21. A petition from Equitable Production Company for establishment of 320-acre provisional horizontal drilling unit served by wells VH-539904 and VH-539905, Gladeville District, Wise County, Virginia. Docket Number VGOB-08-0617-2245.
22. A petition from Equitable Production Company for establishment of 320-acre provisional horizontal drilling unit served by well VH-536025, Lipps and Kenady Districts, Wise County, Virginia. Docket Number VGOB-08-0617-2246.
23. A petition from Equitable Production Company for pooling of coalbed methane unit VC-539280, Kenady District, Dickenson County, Virginia. Docket Number VGOB-08-0617-2247.
24. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537058, Prater District, Buchanan County, Virginia. Docket Number VGOB-08-0617-2248.
25. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537875, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0617-2249.
26. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537876, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0617-2250.
27. A petition from Equitable Production Company for pooling of coalbed methane unit VC-537839, Sandlick District, Dickenson County, Virginia. Docket Number VGOB-08-0617-2251.
28. A petition from Equitable Production Company for pooling of coalbed methane unit VC-535592, Hurricane District, Buchanan County, Virginia. Docket Number VGOB-08-0617-2252.
29. A petition from Equitable Production Company for pooling of 320-acre provisional horizontal drilling unit served by well VH-536926, Lipps District, Wise County, Virginia. Docket Number VGOB-08-0617-2253.

30. A petition from Equitable Production Company for pooling of conventional gas unit V-502739, Lipps District, Wise County, Virginia. Docket Number VGOB-08-0617-2254.
31. A petition from Equitable Production Company for pooling of conventional gas unit V-536896, Gladeville District, Wise County, Virginia. Docket Number VGOB-08-0617-2255.
32. A petition from Equitable Production Company for pooling of conventional gas unit V-536761, Lipps District, Wise County, Virginia. Docket Number VGOB-08-0617-2256.
33. A petition from Equitable Production Company for a well location exception for proposed well V-535851, Gladeville District, and Wise County, Virginia. Docket Number VGOB-08-0617-2257.
34. A petition from Equitable Production Company for modification of the Nora Coalbed Gas Field Rules to allow for drilling of an additional well in units BS-41 and BT-42, Kenady and Ervinton Districts, Dickenson County, Virginia. Docket Number VGOB-89-0126-0009-29.
35. A petition from Equitable Production Company for modification of the Nora Coalbed Gas Field Rules to allow for drilling of an additional well in unit BT-57, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-89-0126-0009-30.
36. A petition from Range Resources-Pine Mountain, Inc. for creation of a drilling unit and pooling of conventional gas unit V-504473, Kenady District, Dickenson County, Virginia. Docket Number VGOB-08-0617-2258.
37. Petitions filed by S. T. Mullins and J. Scott Sexton on behalf of GeoMet Operating appealing a decision by the Director of the Division of Gas and Oil regarding Informal Fact Finding Conference IFFC 20908. Docket Number VGOB-08-0617-2259.
38. A petition from S. T. Mullins on behalf of GeoMet Operating Company appealing a decision by the Director of the Division of Gas and Oil regarding Informal Fact Finding Conference IFFC 21008. Docket Number VGOB-08-0617-2260.
39. A petition from Mark A. Swartz on behalf of Island Creek Coal Company appealing a decision by the Director of the Division of Gas and Oil regarding Informal Fact Finding Conference IFFC 21108. Docket Number VGOB-08-0617-2261.

The Virginia Gas and Oil Board will hear public comments regarding Board matters immediately following the final docket item.

Public Comments Item 1

The board heard public comments from Mrs. Juanita Sneevwagt and Mrs. Gladice Counts on the following two items:

- (1) A request to the board to provide microphones with audio speakers so members of the general public attending the meeting can hear testimony given and questions from the board.
- (2) A challenge to Equitable Production Company on due diligence when attempting to identify surface owners and the notifications procedures. Both ladies gave testimony and an original notification document whereby they had incorrectly received notification for an individual, not part of their family heirs. They stated additional efforts in regard to due diligence would benefit all parties.

A representative of Equitable Production Company was present for the testimony. He thanked both ladies for making he and his company aware of the incorrect notification and stated he would look into and correct their address databank and repeat the notice to the individual (heirs) correct address.

Public Comments – Item 2

The board continued its discussion from April regarding limiting the docket items to be addressed by the board to not more than 35. Acting Chairman Harris opened a comment period of one month for the public and the board. Comments are to be submitted to the Division of Gas and Oil. These comments will be compiled and distributed to board members for their review at the June meeting and placed on the July docket for board consideration and action.

Information concerning the above docket items can be viewed from 8 a.m. to 5 p.m., Monday through Friday at the office of the Department of Mines, Minerals and Energy, Division of Gas and Oil, 230 Charwood Drive, Abingdon, Virginia. All questions concerning the agenda should be directed to the Division of Gas and Oil by telephoning 276-676-5423.

Special accommodations for the disabled will be made available at the hearing on request. Anyone needing special accommodations for the June hearing should contact the Department of Mines, Minerals and Energy, Division of Gas and Oil at 276-676-5423 or call the Virginia Relay Center TTY/TDD 1-800-828-1120 or 1140 by June 12, 2008. The deadline for filing of petitions to the Board for the July 2008 hearing is 5 p.m., Friday, June 13, 2008 with the hearing scheduled for 9 a.m. on Tuesday, July 15, 2008 at the Southwest Virginia Higher Education Center, Abingdon, Virginia.